

# FISCAL NOTE

**Bill #:** HB0367

**Title:** Revise laws relating to food establishments

**Primary**

**Sponsor:** Beverly Barnhart

**Status:** As introduced

Sponsor Signature	Date	Dave Lewis, Budget Director	Date
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## Fiscal Summary

	<b><u>FY2000 Difference</u></b>	<b><u>FY2001 Difference</u></b>
<b>Expenditures:</b>		
State Special Revenue	\$415,150	\$415,150
<b>Revenue:</b>		
General Fund	(\$27,900)	(\$27,900)
State Special Revenue	415,150	415,150
<b>Net Impact on General Fund Balance:</b>	<b>(\$27,900)</b>	<b>(\$27,900)</b>

<b><u>Yes</u></b>	<b><u>No</u></b>		<b><u>Yes</u></b>	<b><u>No</u></b>	
X		Significant Local Gov. Impact		X	Technical Concerns
	X	Included in the Executive Budget		X	Significant Long-Term Impacts

## Fiscal Analysis

### ASSUMPTIONS:

1. The number of establishments to be licensed (6,200) by the Department of Health and Human Services (DPHHS) will remain consistent. Of these, 5,592 are retail establishments and 608 are wholesale or manufacturing.
2. Of the retail establishments, 1,398 will be classified as low risk and 4,194 will be classified as high risk.
3. Low risk establishments will generate \$83,880 in license fees (1,398 \* \$60).
4. High risk establishments will generate \$629,100 in license fees (4,194 \* \$150).
5. Total food service establishment license fees generated by this legislation will be \$712,900.
6. Of the wholesale and manufacturing establishments, 468 will be classified as low risk, 91 will be classified as medium risk, and 49 will be classified as high risk.
7. Low Risk establishments will generate \$28,080 in license fees (468 \* \$60).

(continued)

8. Medium risk establishments will generate \$10,920 in license fees (91 \* \$120).
9. High risk establishments will generate \$7,350 in license fees (49 \* \$150).
10. Total license manufacturing establishments fees generated by this legislation will be \$46,350.
11. Total license fees generated from this legislation will be \$759,250 (\$712,900 + \$46,350).
12. Under current law, license fees generate: \$27,900 for the general fund, (\$60 \* 6,200 licenses\* 7.5%); \$316, 200 for county share of state special revenue (\$60 \* 6,200 licenses \*85%); and \$27,900 for the Department of Health and Human Services (DPHHS) share of state special revenue (\$60 \* 6,200 licenses \* 7.5%).
13. This legislation will result in no license fees for the general fund, \$702,306 for county share of state special revenue (\$759,250 \* 92.5%) and \$56,944 for the DPHHS share of state special revenue (\$759,250 \* 7.5%)
14. The difference in state special revenue and general funds as a result of this legislation are:
  - General fund - decrease of \$27,900 each year of the biennium
  - State Special Revenue Fund - County Portion - increase of \$386,150
  - State Special Revenue Fund - DPHHS Portion - increase of \$29,044
15. The portion of the license fee that is retained by DPHHS (\$19,613) will enable DPHHS to make the changes needed in the licensing system to interface with the One Stop licensing system at the Department of Revenue.

**FISCAL IMPACT:**

	<b><u>FY2000</u></b>	<b><u>FY2001</u></b>
	<b><u>Difference</u></b>	<b><u>Difference</u></b>
<b><u>Expenditures:</u></b>		
Operating Expenses	\$29,044	\$29,044
Transfers	<u>386,106</u>	<u>386,106</u>
TOTAL	\$415,150	\$415,150

**Funding:**

State Special Revenue (02)	\$415,150	\$415,150
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**Revenues:**

General Fund (01)	\$(27,900)	\$(27,900)
State Special Revenue (02)	415,150	415,150

**Net Impact to Fund Balance (Revenue minus Expenditure):**

General Fund (01)	\$(27,900)	\$(27,900)
State Special Revenue (02)	0	0

**EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:**

The transfer of \$386,106 each year of the biennium will be to local county health departments. This will be additional revenue for local food safety programs.